

SCHOOL FINANCE
State of Arizona
Department of Education



MEMORANDUM 18-022

TO: Superintendents, District Business Managers, Charter Business Managers, Charter Holders, and Administrators

FROM: Lyle Friesen, Deputy Associate Superintendent of School Finance

DATE: October 18, 2017

SUBJECT: School Finance Updates

SDER Application

The School District Employee Report (SDER) closed on October 16, 2017.

SDER data may be modified only between February 1 and March 1, 2018. See [FY2018 Memo 18-018](#) for details.

If you have additional questions, please contact SFAAnalystTeam@azed.gov

Important Reminder: Reconcile ADE AzEDS Data to your SIS Data

Remember to reconcile the data that is in your student information system (SIS) with the data in AzEDS. Funding for future payments will be determined by the data that is in AzEDS, not your SIS. If there is a discrepancy in the data, the data in AzEDS will be used for your funding for future payments. Data should be reconciled monthly, at a minimum. **Note:** The most critical time to verify data reconciliation is prior to the data capture deadline. Visit <http://www.azed.gov/finance/2017/06/29/fy-2018-monthly-payment-and-azeds-processing-schedules/> for monthly schedules.

Here are a few reports to review on a regular basis:

- AzEDS Data Verification Reports (STUD10, STUD15)
- Student Integrity Status Report (INTEG15)
- Post ACE Reports (ADM15)

These reports can all be found within your AzEDS portal via ADE Connect.

If you need assistance with reconciling your AzEDS reports, email the SFAAnalystTeam@azed.gov.

Please visit our website for additional resources and trainings:

- Wednesday Workshops: <http://www.azed.gov/finance/wednesday-workshops/>
- School Finance Fridays: <http://www.azed.gov/finance/school-finance-fridays/>

Reminder: Guidelines for Requesting a 15-915

If your district is planning to request a Prior Year Correction to State Aid or Budget Capacity (ARS§15-915), be aware that the guidelines have been updated since 08/20/2015. Prior to submitting your request, please review the guidelines to ensure that your request is complete. Beginning FY2018, we will only accept data revisions for FY2017, FY2016 and FY2015.

If you have additional questions, please email SFAAnalystTeam@azed.gov.

Payment Updates

FY2018:

- **Student Counts:** The October 2, 2017 apportionment has been based on FY2017 ACE results as of July 14, 2017. For a few Districts with FY2018 ADM and SPED greater than FY2017 ADM and SPED, FY2018 values have been used. **Beginning with the November 1, 2017 payment, FY2018 AzEDS results will be used in the calculation of your Base Support Level. Data was pushed for payment on October 4, using results from the October 3, 2017, 5:00PM data capture.** If you have questions or concerns regarding the student counts, please contact the account analyst team. The analyst team may be reached at SFAnalystTeam@azed.gov
- **State Aid Rollover:** Pursuant to Laws 2016, Chapter 124, Section 14, the Arizona Department of Education shall defer, until July 1, 2018 but no later than July 12, 2018, \$930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2017-2018. The FY18 rollover amounts were included beginning in the August 1 payment APOR64-1.
- **Transportation Support Level (TSL):** Route miles from FY2017 were reflected in the September 1, 2017 equalization calculation. Please check your comparative miles report (TRAN40-2) if your route miles do not match your route report. Please email the account analyst team if you have any questions or concerns regarding this report.
- **Additional State-Aid:** The FY2017 Additional State Aid amounts have been used in lieu of FY2018 amounts. These amounts will be updated once we receive the updated Additional State Aid figures for FY2018 from the Department of Revenue, which we expect to receive by October 2017.
- **Assessed Valuations:** Tax Year 2017 values by district and county were used in the calculation of state aid in FY2018 beginning with the August 1, 2017 apportionment. These values are provided by the AZ Department of Revenue.
- **SRP Voluntary Contributions:** SRP amounts are rolled over from Tax Year 2016; these amounts will be updated once we receive the Tax Year 2017 voluntary contribution figures from SRP, which we expect to receive by the end of October 2017.
- **GPLET Value:** Tax Year 2016 values by district were used in the calculation of state aid in FY2018 for the September 1, 2017 apportionment. These values will be updated when the Tax Year 2017 values are provided by the counties. We expect these to be included in January 1, 2018 apportionment.
- **County Equalization Tax Rate:** The county equalization tax rate established pursuant to A.R.S. §15-994 is in effect for FY2018, and was included in the APOR 59-1 and APOR 64-1 calculations beginning with the August 1, 2017 apportionment payment.
- **District Additional Assistance Reductions:** The preliminary DAA reductions have been included and are shown on page 5 of the APOR 55-1. A list may be found under SF hot topics here: <http://www.azed.gov/finance/2017/07/24/fy2018-district-additional-assistance-daa-reductions/>
- **K-3 Reading:** To receive funding, all districts must now submit a plan to the State Board of Education for approval. K-3 reading funding will be released once approval is received from the State Board of Education.

- **Results-Based Funding:** The first distribution of FY 2018 Results-Based Funding was released October 4th. Please see the Hot Topic posting for more information:
<http://www.azed.gov/finance/2017/10/03/fy-2018-results-based-funding-payment-1-distribution-date/>
- **Rural Assistance:** The first distribution of FY 2018 Rural Assistance is scheduled to distribute at the end of October. For more details, please see the posted Hot Topic:
<http://www.azed.gov/finance/2017/10/12/fy2018-rural-assistance-preliminary-allocation/>
- **The Fiscal Year 2017 Statewide Equalization Recalculation has been completed.**
 - **District**
The positive adjustments have been included in the September 1st payment through the APOR64-1 report. Positive adjustments will be included as lump sum adjustments; whereas the negative adjustments will be taken over the entire fiscal year, ³/₁₂^{ths} taken in October and ¹/₁₂th each payment thereafter.
 - **Charter**
The positive adjustments have been included in the September 1st payment through the CHAR64-1 report as a lump sum adjustment. The negative adjustments will be taken over the entire fiscal year, ³/₁₂^{ths} taken in October and ¹/₁₂th each payment thereafter.

Budget Update

FY 2018 October BUDG25 Reports

The October FY2018 BUDG25 reports have been posted and are based on:

- 2017 ADM for the vast majority of districts until 11/01/2017, at which time current year 2018 ADM will be used for the vast majority of districts. **Note:** There is a message at the top of the report indicating year 2017 or 2018 ADM.
- APOR 55-1 with a run date of 9/11/2017 (Apportionment Date: 10/01/2017)
- Budgets that have successfully processed through 9/30/2017
- K3 Reading is **not** included in the RCL for all school districts. To receive funding, all districts must now submit a plan to the State Board of Education for approval. K-3 reading funding will be released once we receive approval from the State Board of Education.

Note: Email the Move On When Reading team moveonwhenreading@azed.gov or phone 602-364-2355 with questions regarding the district's plan or review schedule.

To download and review a specific entity's budget reports, select the district name after clicking [here](#).

BUDG25 LETTER NOTICIFICATON of Need For a December Revision ALERT

The November BUDG25 report is planned to be posted early (week of 10/23/2017) with the RCL based on ADM for the current year for vast majority of the districts. These reports will be used to generate the BUDG25 December Revision Notification Letters that ADE must statutorily post by 10/30/2017.

Notice and Guidance: AFR's Pending Processing 10/14 & 10/15

Due to a system glitch, files uploaded on October 14th and 15th were not processed into the system until Monday October 16th.

For audit purpose use the "Upload Date" as opposed to the "Updated Date" on the LEA's ADE submitted file page as the date the AFR was submitted to ADE.

General Updates

Email Distribution:

If you are not receiving updates via email and you would like to, please email schoolfinance@azed.gov with your name, email, school and position. If you have more than one person you would like to receive emails, please include their information as requested above. If you have any questions, please email schoolfinance@azed.gov or call 602-542-5695

School Finance Hot Topics

Keep informed of upcoming events, deadlines and system updates by bookmarking our Hot Topics webpage and checking it often. All updates published by School Finance can be found on the web page <http://www.azed.gov/finance/category/hot-topics/>. These same Hot Topics can also be found on our home page at <http://www.azed.gov/finance/>

Questions?

If you have any questions regarding these updates, please do not hesitate to contact the following individuals relating to these areas:

- 1) **General Updates:** Email schoolfinance@azed.gov
- 2) **AzEDS/SAIS/ADM, SDER, and Transportation:** Email the School Finance Operations team at SFAAnalystTeam@azed.gov
- 3) **Payment:** Email the School Finance payment team at SFPaymentTeam@azed.gov
- 4) **Budget:** Email the School Finance budget team at SFBudgetTeam@azed.gov

Other Areas within ADE

- **Title I, Maintenance of Effort, Stephanie Washington**
Stephanie.Washington@azed.gov, Education Program Specialist, Tel: (602) 542-7466
- **ESS, Maintenance of Effort, ESSFunding@azed.gov**, 602-542-3851
- **ADE Support**, 602-542-7378, option 1 or 1-866-577-9636, option 1
- **Grants Management** –Toll Free (844) 893-9789 or locally (602) 542-3901

Please let us know what we can do to better assist you. Send your suggestions to SchoolFinance@azed.gov and in the subject line type SUGGESTIONS.